

Michael Lee
Director of Access, Planning & Performance
Telephone 020 7282 2139
Fax 020 7282 2042
E-mail michael.lee@orr.gsi.gov.uk

11 September 2007

Ms Hazel Walker
Group Company Secretary
Network Rail Infrastructure Limited
40 Melton Street
London
NW1 2EE

Dear Hazel

**Network Rail Infrastructure Limited's Network Licence Condition 12 "Ring-fencing":
Consent to enable Network Rail to act as a Notified Body**

1. On 8 August 2007, you applied to the Office of Rail Regulation (ORR) for consent under paragraph 1 of Condition 12 of the network licence to an arrangement under which you would provide the services of a notified body (NoBo) to external organisations (as set out under the Railway (Interoperability) Regulations 2006).
2. The application for consent stated that Network Rail's NoBo services would be self financing and that no cross-subsidy would be provided from any other part of Network Rail's wider business activities. Our consent is granted on this basis.
3. I note that in the longer term Network Rail will consider the means of undertaking the certification of its rolling stock, which may involve the establishment of a company within the Network Rail group to undertake the role. I understand this would be the subject of a separate request to ORR for consent, once its proposals are more fully developed. We are not therefore consenting to this activity at this stage and, for the avoidance of doubt, our consent is for Network Rail Infrastructure Limited to provide NoBo services to external organisations. We would expect to see full details of Network Rail's proposals with regard to establishment of a subsidiary to provide NoBo services to Network Rail in any future request for consent under licence Condition 12.
4. I am copying this Notice to Ian Marlee and Jonathan Haskins.

Yours sincerely

Michael Lee

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